

animal production, food processing and other post-harvest facilities.

Creditor-countries can set up community-based corporations in these activities with equity participation from local government units, cooperatives, or non-government organizations.

5. Debt for Eco-Tourism—Many poor countries have natural tourist attractions which are often located in untouched regions far from the usual tourist spots.

In the Philippines alone, there are dozens of white-sand beaches, secluded coves, and diving sites, historical attractions, and mountain vistas—all with strong potential to attract global tourists.

Foreign investment can make these potential tourism sites attractive by giving them modern infrastructure such as airports, communication lines, and hotel facilities.

Investors may also wish to develop specific areas as complete travel “packages”—much as Bali, in Indonesia, has become. Ecological tourism in the new countries will bring many benefits—even apart from enabling the developing country to generate foreign exchange.

6. Debt for Wealth-Creating Projects. Many developing countries possess natural resources they are unable to exploit because of their lack of investment capital. The Philippines, for one, can potentially become the world's fifth-largest minerals producer. Substantial deposits of gold, copper, and nickel have been discovered in many parts of the archipelago.

Oil and gas wells are now operational in the Malampaya areas in offshore Palawan.

In addition, land-reclamation programs may be launched in coastal cities like Manila, Cebu, Davao—all of which need room for expansion. These programs could raise billions of pesos for the foreign investor and the Philippine State.

Reclamation, as we know has been a major stimulus to the economies of Hong Kong and Singapore.

SOCIAL INVESTMENTS

Bilateral or multi-lateral creditors, who offer official loans, will be attracted to social investment opportunities for their Debt-for-MDG programs.

There are many ways through which official lenders can plow back their debt-service receipts into social investment in the poor countries. Among them are the following:

1. Debt for Education. Millions of young people in poor countries have little or no access to basic education. Debt-payments can be plowed back into school buildings, instructional materials, and better pay and training for public-school teachers in the poor countries.

They can also fund school-feeding programs and “wages for learning” incentive schemes that keep potential drop-outs in school—as well as college scholarships and “study-now-pay-later” programs. In making these social investments, creditors can deal directly with local government units and school boards.

2. Debt for Hospitals and Health Care. Debt-relief funds can also be channeled to primary health-care facilities such as pauciculture centers, general hospitals, and diagnostic laboratories. Even more useful are mass vaccination programs to prevent epidemic that now kill people in poor countries in great number.

3. Debt for Micro-Finance. The United Nations regards microfinance as a key strategy in poverty reduction. The success of micro-lending in Bangladesh and elsewhere proves how much poor people (particularly rural women) can do—given a little capital.

The hundreds of micro-banks operating throughout the Third World can use recycled

debt-service payments to expand their coverage and to raise their loan levels to the local entrepreneurs they serve.

If we are to realize the vision we share—of halving the world's most abject poor in 10 years' time—we will need the concerted action of the world's richest economies.

According to the “Report on the UN Millennium Project,” the MDGs will require from the donor-states at least \$50 billion more yearly—on top of the US\$88 billion the rich countries have already committed in Official Development Aid—to fund sufficiently their action points, reform programs, and development requirements.

Persuading the G-8 countries and the Paris Club to raise this new money will obviously be hard to do.

So we say outright that the world's donor and creditor communities need not raise new money. They can easily meet the most urgent needs of the poor and middle-income countries just by agreeing to plow back a portion of their debt payments into the economies of the poor countries—through our Debt-for-MDG-Investments program.

The rich countries commonly reproach the poor countries for dissipating in corruption too large a part of the foreign aid they receive.

We believe this reproach to be richly deserved. We expect that the debtor-countries which subscribe to the Philippine proposal will agree to observe adequate standards of transparency in their handling of recycled debt-payments—particularly those that go into social investments. (In the case of equity investments, investors will presumably be protected by the normal business constraints.)

AN END AT LAST TO POVERTY?

In conclusion, let me emphasize that we in the so-called middle-income countries are not seeking the charity of the rich.

Whatever the outcome of this proposal, we shall continue to honor our debts.

But we appeal to our creditors: Together let us seek creative ways of easing our debt-burden—ways that will also help us meet our obligations to you.

Right now, all we seek is some fiscal breathing space—which will allow us to realize our national Millennium Development Goals by 2015.

With your consent and your support—and with a little help from the various institutions of the United Nations, as well as the world's large commercial banks—we can launch together a massive international effort, truly to “make poverty history.”

Thank you for hearing me out, and good day.

ADDITIONAL STATEMENTS

HONORING JAMES E. KELLEY

• Mr. BAYH. Mr. President, it is with a heavy heart that I wish to honor the life of a great man, Jim Kelley, who died Sunday, leaving behind a legacy of generosity and selflessness. He was known as a visionary businessman, a dedicated public servant, and a kind-hearted humanitarian. His friends and family will miss him dearly, and I know that sentiment is shared by countless others across Indiana and the country.

Jim grew up during the Great Depression on a farm in northeast Indiana. Through hard work and study, Jim became a great business success, a

position he used to support his many philanthropic efforts. There was hardly a Fort Wayne charity or non-profit that did not benefit from Jim's generosity. In addition to helping existing charities, Jim actively sought new ways to help the people in his community and even families halfway around the world. From creating a golf tournament to support local charities to organizing humanitarian trips to help foster families in the former Soviet Republic of Moldova, Jim's philanthropy had no boundaries.

Jim believed in equality and worked hard to provide opportunities for all Hoosiers. When he purchased Brookwood Golf Club in the 1960s, it became the first privately owned course in the area to welcome African-American golfers. He was also a supporter of Union Baptist Church, the oldest African-American church in Fort Wayne.

As Chairman of the Democratic Party in Allen County, Jim became one of the most influential Democrats in the County's history. His role helped restore the Democratic Party in Allen County and provided him with yet another avenue to improve the quality of life for area Hoosiers.

There is a saying that life is not about what you take out of it, but what you put back in. Jim lived that sentiment to the fullest. He touched countless lives through his work, from local families in Fort Wayne to children an ocean away in Eastern Europe. While Jim was a leader in many aspects, including business, politics and community service, it is his generosity of spirit that Hoosiers will remember most. I am proud to be among the many Hoosiers to call him my friend, and I will miss him.

Indiana lost a great man this week. It is my sad honor to enter the name of James Kelley in the official record of the U.S. Senate for his service to Indiana.●

RECOGNIZING JOHN W. MACK

• Mrs. BOXER. Mr. President, I am very pleased to take a few moments to recognize the many important accomplishments of John W. Mack, as the Los Angeles Unified School District opens a new elementary school on South Catalina Street in Los Angeles bearing his name.

Earlier this year, John W. Mack stepped down from his post as president of the Los Angeles Urban League after 36 years of service. During his tenure, John led the venerable civil rights organization through an amazing period of growth and accomplishment. His ability to build coalitions with a wide variety of groups enabled him to keep the Los Angeles Urban League focused on providing opportunity to African Americans and other minorities over the years. Under John's leadership, the Los Angeles Urban League's budget grew from \$1.7 million to nearly \$25 million; providing funding for innovative, results-oriented